Sniper Course: First Aid

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- The 200% extension is the maximum price we expect price to reach for.
- When price goes down into a support level, that is when we are on the hunt for buy setups.
- The industry standard is to risk 2% per trade, but ICT recommends being in the realm of 1% per trade.
- If you're just starting out, forget about making a lot of money and just work on learning everything you need to learn and experience.
- Once targets start getting hit on a more consistent basis then you can start risking more.
- 30-40 pip stops are a nice buffer for traders because they won't have to be extremely precise with this size of stop.
- The professional traders do not risk a whole lot of their capital.
- For disclosure sake, ICT risks a maximum of 3.5% on a single trade. He only does this when the higher time frames of the weekly, daily, & 4 hour are all in the same direction and a weekly bias is in the same direction. Typically it's between 1% and 1.5% because the time frames aren't always lined up. 1.5% is the maximum in this situation.
- With the daily and 4 hour charts in the same direction he can risk as much as 2% on a single trade.
- Reduce risk in half when you lose a trade. It will take more trades to get back to break even, but it is removing the rush factor to get back to that point and it is honing your patience with the added benefit of lowering your overall exposure to the market place.
- Remove from your mind that you want to make millions of dollars, you have to take the bite first before thinking about that.
- If you trade for a decent length of time, you will have a lot of losses.
- If trading off a daily time frame and the trade doesn't move in your favor within 3 days then reduce your risk or take half the position off to watch your 6.
- If you are going into a Friday and you haven't been stopped out, but your trade is floating in the negative pip arena then just collapse the trade. That is a bad situation to be in.
- Time stops can be beneficial.. there is a little bit of art to it. Off a 4 hour chart, just give it one day and for the hourly chart give it 2 trading sessions TOPS.
- As price starts hitting your targets, slowly reduce risk in the trade by moving the stop loss closer, but do not move to break even until it hits your 2nd target. Do not move to break even when price hits your first target.
- If you rapidly move your stop loss up to break even then you are asking to get taken out of the trade before it hits your targets.
- You can carve out a consistent living with 1 30-60 pip trade per week.
- There are really clear & discernible support & resistance levels on the 15 minute chart. It also allows you to look at a whole weekly perspective.
- Place your stop 10-15 pips below the 2nd most recent swing low on a 15 minute chart in bullish conditions. Trail the market like that. If it comes down that far to stop you out, then you probably just need to accept the fact that you missed the most opportune time to get out. There is nothing wrong with admitting that.